

AMENDMENT TO MR. TAUZIN'S AMENDMENT**OFFERED BY MR. CAFFES****(Page & line nos. refer to Chairman's Mark of June 17, 2003)**

Strike section 303(a) (relating to reform of practice expense computation for certain physician specialties) [page 134, line 34 through page 150, line 10] and insert the following (and redesignate the succeeding subsections accordingly):

1 (a) MEDICARE PAYMENT FOR DRUG ADMINISTRATION
2 SERVICES.—

3 (1) IN GENERAL.—The Secretary shall revise the prac-
4 tice expense relative value units for drug administration
5 services for years beginning with the year 2005 in accord-
6 ance with this subsection. For purposes of this subsection,
7 the term "drug administration services" includes chemo-
8 therapy administration services, therapeutic and diagnostic
9 infusions and injections, and such other services as the Sec-
10 retary specifies.

11 (2) DIRECT COSTS EQUAL TO 100 PERCENT OF CPEP
12 ESTIMATES.—Using the information, including estimates of
13 clinical staff time, developed in the clinical practice expert
14 panel process, including refinements by American Medical
15 Association committees, the Secretary shall estimate the
16 costs of the nursing and other clinical staff, supplies, and
17 procedure-specific equipment (exceeding a cost specified by
18 the Secretary) used in furnishing each type of drug admin-
19 istration service. The Secretary shall utilize without revi-
20 sion the minutes of clinical staff time determined in such
21 process. The Secretary shall convert the information from
22 such process to estimated costs by applying the most cur-
23 rent available data on staff salary, supply, and equipment

1 costs, and such costs shall be updated to 2005 based on es-
2 timated changes in prices since the date of such data.

3 (3) TOTAL PRACTICE EXPENSES.—The Secretary shall
4 estimate the total practice expenses of each drug adminis-
5 tration service by assuming that the direct costs for the
6 service determined under paragraph (3) are 33.2 percent of
7 such total practice expenses.

8 (4) CONVERSION TO RELATIVE VALUE UNITS.—The
9 Secretary shall convert the total practice expenses deter-
10 mined under paragraph (3) to practice expense relative
11 value units for each drug administration service by dividing
12 such expenses by the conversion factor that will be in effect
13 for the physician fee schedule for 2005. The relative value
14 units as so determined shall be used in determining the fee
15 schedule amounts paid for drug administration services
16 under section 1848 of the Social Security Act (42 U.S.C.
17 1395w-4).

18 (5) UPDATES.—For years after 2005, the relative val-
19 ues determined under paragraph (4) shall continue in effect
20 except that the Secretary shall revise them as necessary to
21 maintain their accuracy, provided that such revisions are
22 consistent with the methodology set forth in this sub-
23 section.

24 (6) MULTIPLE PUSHES.—In establishing the payment
25 amounts under this subsection, the Secretary shall establish
26 the payment amount for intravenous chemotherapy admin-
27 istration by push technique based on the administration of
28 a single drug. The Secretary shall make the same payment
29 for each additional drug administered by push technique
30 during the same encounter, except to the extent that the
31 Secretary finds that the cost of administering additional
32 drugs is less than the cost of administering the first drug.

33 (b) PAYMENTS FOR CHEMOTHERAPY SUPPORT SERV-
34 ICES.—

35 (1) GENERAL.—Beginning in 2005, the Secretary
36 shall recognize and make payments under section 1848 of
37 the Social Security Act (42 U.S.C. 1395w-4) for chemo-

1 therapy support services furnished incident to physicians'
2 services. For the purposes of this section, the term "chemo-
3 therapy support services" are services furnished by the
4 staff of physicians to patients undergoing treatment for
5 cancer that were not included in the computation of clinical
6 staff costs under subsection b(2). Such services include so-
7 cial worker services, nutrition counseling, psychosocial serv-
8 ices, and similar services.

9 (2) DIRECT COSTS.—The Secretary shall estimate the
10 cost of the salary and benefits of staff furnishing chemo-
11 therapy support services as they are provided in oncology
12 practices that furnish these services to cancer patients in
13 a manner that is considered to be high quality care. The
14 estimate shall be based on the weekly cost of such services
15 per patient receiving chemotherapy.

16 (3) TOTAL COSTS.—The Secretary shall estimate the
17 total practice expenses of chemotherapy support services by
18 assuming that the direct costs for the service determined
19 under paragraph (2) are 33.2 percent of such total practice
20 expenses.

21 (4) CONVERSION TO RELATIVE VALUE UNITS.—The
22 Secretary shall convert the total practice expenses deter-
23 mined under paragraph (3) to practice expense relative
24 value units for chemotherapy support services by dividing
25 such expenses by the conversion factor that will be in effect
26 for the physician fee schedule for 2005. The relative value
27 units as so determined shall be used in determining the fee
28 schedule amounts paid for chemotherapy support services
29 under such section 1848.

30 (5) UPDATES.—For years after 2005, the relative val-
31 ues determined under paragraph (4) shall continue in effect
32 except that the Secretary shall revise them as necessary to
33 maintain their accuracy, provided that such revisions are
34 consistent with the methodology set forth in this sub-
35 section.

36 (c) CANCER THERAPY MANAGEMENT SERVICES.—Begin-
37 ning in 2005, the Secretary shall recognize and establish a pay-

1 ment amount for the service of cancer therapy management to
2 account for the greater pre-service and post-service work asso-
3 ciated with visits and consultations conducted by physicians
4 treating cancer patients compared to typical visits and con-
5 sultations. The payment amount may vary by the level and type
6 of the related visit or consultation.

7 (d) OTHER SERVICES WITHOUT PHYSICIAN WORK REL-
8 ATIVE VALUE UNITS.—Beginning in 2005, the Secretary shall
9 develop a revised methodology for determining the payment
10 amounts for services that are paid under the fee schedule es-
11 tablished by section 1848 of the Social Security Act (42 U.S.C.
12 1395w-4) and that do not have physician work relative value
13 units, including radiation oncology services. Such methodology
14 shall result in payment amounts that fully cover the costs of
15 furnishing such services. Until such time as the methodology
16 for such services is revised and implemented, all such services
17 shall be protected from further payment cuts due to factors
18 such as shifts in utilization or removal of any one specialty's
19 services that are paid under the fee schedule established by
20 such section 1848 and that do not have physician work relative
21 value units.

22 (e) REPORT TO CONGRESS.—Not later than April 1, 2004,
23 the Secretary shall submit to Congress a report on the payment
24 amounts that are projected to be adopted under subsections
25 (b), (c), (d), and (e) of this section.

26 (f) INSTITUTE OF MEDICINE STUDY.—

27 (1) GENERAL.—The Secretary shall request the Insti-
28 tute of Medicine to conduct the study described in this sub-
29 section.

30 (2) BASELINE STUDY.—The first phase of the study
31 shall include the following objectives:

32 (A) An assessment of the extent to which the cur-
33 rent medicare payment system, prior to implementation
34 of the amendments made by this section, facilitates ap-
35 propriate access to care by cancer patients in the var-
36 ious treatment settings.

1 (B) The identification of the comprehensive range
2 of services furnished to cancer patients in the out-
3 patient setting, including support services such as psy-
4 chosocial services and counseling, and recommendations
5 regarding the types of services that ought to be fur-
6 nished to medicare patients with cancer.

7 (C) A discussion of the practice standards nec-
8 essary to assure the safe provision of services to cancer
9 patients.

10 (D) An analysis of the extent to which the current
11 medicare payment system supports the role of nurses
12 in the provision of oncology services and recommenda-
13 tions for any necessary improvements in the payment
14 system in that respect.

15 (E) The development of a framework for assessing
16 how the amendments made by this act affect the provi-
17 sion of care to medicare patients with cancer in the
18 various treatment settings.

19 (3) SECOND PHASE OF STUDY.—After the implemen-
20 tation of the amendments made by this section, the study
21 shall determine whether and how those amendments af-
22 fected the provision of care to medicare patients with can-
23 cer.

24 (4) CONSULTATION.—The Institute of Medicine shall
25 consult with the National Cancer Policy Board and organi-
26 zations representing cancer patients and survivors,
27 oncologists, oncology nurses, social workers, cancer centers,
28 and other healthcare professionals who treat cancer pa-
29 tients in planning and carrying out this study.

30 (5) DUE DATES.—

31 (A) The study required by paragraph (2) shall be
32 submitted to the Congress and the Secretary of Health
33 and Human Services no later than June 30, 2004.

34 (B) The study required by paragraph (3) shall be
35 submitted to the Congress and the Secretary of Health
36 and Human Services no later than December 31, 2006.